

Nearly 20 years ago, plainspoken businessman turned politician Ross Perot liked to use the phrase "where the rubber meets the road." When it comes to finally addressing America's \$14.3 trillion debt - the single biggest threat to our future, jeopardizing job creation and endangering Social Security and Medicare - the rubber is about to meet the pavement. Gone are the days of putting off a budgetary fix.

For months now, Treasury Secretary Tim Geithner has warned the country that federal spending is approaching the government's legal debt ceiling. The national credit card is maxed out and, without an extension, Washington risks credit default. In fact, we already hit the national credit limit of \$14.294 trillion on May 16th, but Secretary Geithner says the government can juggle different accounts on its books until August 2nd without having to raise the debt ceiling. After that, all bets are off.

Now, to be clear, the federal government isn't exactly like an American family, or even a small business, when it comes to securing credit. While you and I must pay our bills on time or we risk damaging our credit worthiness, Washington has the unique ability of raising its credit limit so it can just keep on borrowing and spending. We can do this because, as the world's last superpower, we are, and have been for a century, a pillar of financial stability. Sadly, the reckless borrowing and spending we have undertaken has threatened this standing.

So where has all this borrowing led us? If our Mount Everest sized debt were to come due today, each U.S. household would face a bill of over \$120,000. Just to balance the budget this year – not even touching the cumulative national debt - taxes on every American would have to be raised 60 percent.

It is bad enough that over the last three years our federal debt has ballooned by a staggering \$3.7 trillion, but what's truly disturbing is the president refuses to stop. The president's 2012 budget request simply keeps on spending without making meaningful changes.

Conservatives from both political parties continue to call on the president to get serious about the deficit and present a realistic plan to lower government spending – a plan that reforms and protects the real drivers of our annual deficits and ever increasing debt, like Medicare and Medicaid.

Some have suggested that Congress not raise the debt limit at all. Unfortunately, the government doesn't have sufficient funds to pay its debts and obligations already owed without more borrowing. But that should not prevent us from taking steps to stop out of control spending.

In recent months, Congressional Republicans have offered a plan of our own to reverse the nation's destructive path by lowering spending by \$6 trillion and reducing deficits by \$4.4 trillion over the next ten years, compared to the president's budget. To be sure, our budget reform blueprint has been roundly demonized by the president and his followers in Congress because it dares to make bold choices. Meanwhile, they offer no alternative plan of their own, simply saying to Americans, "trust us." That's not good enough.

If the president will not lead, Congress will. House Speaker John Boehner has drawn a line in the sand, pledging not to approve an increase in the federal government's legal debt limit until the president agrees to significant cuts in government spending and a clear path to reducing our \$14.3 trillion, and growing, debt.

Last week, we took the first step in this effort by holding a straight up or down vote on raising the debt ceiling - no strings attached, just as the president wanted. The vote failed substantially, 318 to 97. All House Republicans and 82 House Democrats voted against increasing the debt limit absent any meaningful spending cuts or reforms. The next day, House Republicans met with President Obama, but he still refused to give ground.

Last Thursday, America's creditors called the president's bluff. Moody's Investors Service said the United States risks losing its top AAA credit rating if nothing is done: "Whether the outlook on the rating would be stable or negative would depend upon whether the outcome of the negotiations include meaningful progress toward substantial and credible long-term deficit reduction."

With an August 2 deadline to approve an increase in the nation's credit limit or risk default, the rubber is soon to meet the road. Our creditors and the American people expect an agreement to put our spending in order. Mr. President, the House is ready to enact the difficult but necessary reforms that will get America back on the right track. Where are you?

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free at 1-800-288-8721.